



GIMPA
Faculty of Law



Gimpa Law
Conferences



The Banking and Financial Sector Crisis in Ghana and COVID-19: Towards Sustainable Reform

GIMPA Executive Conference Centre, Accra/VIRTUAL – (DATES TO BE CONFIRMED)

I. Background

Financial sector reform is an ideal that governments and central banks periodically focus their attention on. In Ghana, the proliferation of banks, non-banking financial institutions and micro & savings and loans companies in the 2000's, led to market saturation of levels hitherto unknown. Although laws were enacted and the legal and regulatory framework in respect of the banking and financial sector was strengthened, along the line there was the need for re-capitalization of banks, for instance, due to insolvency issues identified by the Bank of Ghana (BOG). A lack of proper corporate governance structures, weak management and internal (Board) supervision, insider trading, abuse of capital etc. also meant that there was a need to sanitize the system. Thus, by the time of completion of the clean-up of the banking, specialized deposit-taking (SDI) and non-bank financial institutions (NBFI) sectors that began in August 2017 by the BOG, it is estimated that 9 Universal Banks had their licences revoked, and there was also the revocation of licences of 347 microfinance companies (of which 155 had already ceased operations), 39 micro credit companies/money lenders (10 of which had already ceased operations), 15 savings and loans companies, 8 finance house companies and 2 non-bank financial institutions that had

already ceased operations. The Security and Exchange Commission (SEC) also acting pursuant to the Securities Industry Act, 2016 (Act 929) cracked the whip on several fund management companies by revoking their licences for *inter alia*, failing to return client funds which remained locked up, persistent regulatory breaches, folding up their operations and generally failing to perform their functions efficiently, honestly and fairly. Fifty-three (53) fund management companies thus had their licences revoked by the SEC in November 2019. It is important to also note that in September 2018, the SEC ordered Menzgold Ghana Limited to shut down its operations because the aspect of the company's business involving the purchase and deposit of gold collectibles and guaranteed returns for customers was a capital market activity within the meaning of Act 929, and that since the company did not have the requisite licence, it was in breach of the law. The BOG fully backed this decision, considering the fact that it had previously issued several warnings to the public against dealing with Menzgold. The Menzgold issue, for example, has led to huge public outcry as many people have their funds locked up at the gold trading firm due to its closure. The actions of the financial sector regulatory bodies, in particular the BOG and the SEC have therefore resulted in divergent views regarding their proper role and the need for a fundamental reform of the banking and financial sector of Ghana's economy. This call for reform has even been further exacerbated by the onset of COVID-19, which has brought the world to a virtual standstill, with many experts holding the view that COVID-19 will have a lasting effect on the banking and financial sectors of all economies globally.

II. Objective of the Event

Under the auspices of the African Center on Law and Ethics (ACLE) at the GIMPA Faculty of Law, the objective of this conference is to provide a platform for discussions relating to the banking and financial sector crisis in Ghana, especially in the wake of COVID-19. This is because, financial sector reform has become topical within the past few years as a result of the collapse of several banks and other financial institutions. The event would thus provide an opportunity for all stakeholders in the financial sector of Ghana's economy to meet in a collegial environment (most likely virtually) and debate their ideas leading to concrete resolutions and proposals.

To this end, some of the issues to be discussed will include, but are not limited to, the following:

1. The role of regulatory bodies in financial sector management;
2. Perspectives from the Bank of Ghana (BOG) and Securities and Exchange Commission (SEC);
3. Understanding financial sector management laws and regulations;
4. Ethics and the financial sector in Ghana;
5. Planning, crafting, and implementing a solution-oriented financial sector policy;
6. Capitalization and other requirements of financial institutions;
7. Corporate Governance and internal oversight of financial institutions;
8. Curbing insider trading;
9. Introducing a multi-disciplinary approach to financial education: The role of professional and academic institutions;
10. Financial literacy and outreach;
11. Continuous financial education;
12. Standards for finance professionals;
13. Cyber Security, Technology and its impact on the financial sector;
14. Comparative perspectives on financial sector management;
15. Making financial services more responsive to societal needs;
16. Consolidating a multi-stakeholder approach to financial sector management;
17. Promoting financial scholarship and publication; and
18. Encouraging financial research.

III. About GIMPA Law Conferences

The GIMPA Law Conference series is a biennial event that was introduced in 2016 to provide a collegial platform for the discussion of topical national and international issues, and propose solutions to these. The maiden edition in 2016 was organized by the GIMPA Faculty of Law in collaboration with the Leitner Center for International Law and Justice at the Fordham University School of Law in New York, United States of America, and with the support of the Embassy of The Kingdom of The Netherlands in Accra. The two-day conference was on the theme – *International Criminal Court and Africa: A Discussion on Legitimacy, Impunity, Selectivity, Fairness and Accountability* in Accra, Ghana. The aim of this conference was to

discuss the frosty relationship between the ICC and Africa in an open and frank manner, and explore how to strengthen or sever the relationship once and for all.

The conference attracted academics, civil society organizations, policy makers etc. from all over the African continent and beyond. The two-day conference explored various themes regarding the relationship between the International Criminal Court (ICC) and Africa. The Prosecutor of the ICC, Her Excellency Madam Fatou Bensouda of The Gambia, was the Special Guest of Honour, given the fact that the conference focused on perceptions facing the Court on the African continent.

Building upon the success of the conference, the GIMPA Faculty of Law decided to propose the establishment of a Research Center that focused on International Criminal Law and Justice. Thus, in May 2017, the African Center of International Criminal Justice (ACICJ) was established at the GIMPA Faculty of Law, with the support of the Embassy of The Kingdom of The Netherlands in Accra, Ghana. The ACICJ is thus dedicated to growing the body of knowledge on international criminal justice, its necessity, and the place of Africa within that paradigm.

In 2018, the second edition of the GIMPA Law Conference series was organized by the African Centre on Law and Ethics (ACLE) at the GIMPA Faculty of Law in collaboration with the Judicial Service of Ghana, the Leitner Center for International Law and Justice at the Fordham University School of Law in New York, United States of America, and with the support of White & Case LLP, New York, United States of America. The theme of this conference was: *The Judiciary and its contribution to Ghana after 60: Reflecting on the Past, Analyzing the present, preparing for the future.*

The conference was attended by all the stakeholders in the Justice delivery system, including Superior Court Justices, the leadership and members of the Ghana Bar Association, the leadership of Parliament, faculty of the various Law Faculties, Civil Society Organizations and the general public at large. The Chief Justice of Ghana at the time, Her Ladyship Justice Sophia Akuffo delivered the keynote address and participated in most of the sessions during the two-day period.

IV. About the African Centre on Law and Ethics (ACLE)

In March 2017, the African Centre for Law and Ethics (ACLE) was established at the GIMPA Faculty of Law pursuant to a Memorandum of Understanding executed between White & Case LLP, New York, Fordham University School of Law, New York and the Faculty of Law at GIMPA, Accra. The mandate of the ACLE is advancing training and scholarship in the field of law and ethics in Ghana, the greater West African region, and across the African continent. To this end, the Centre was set up initially to offer four (4) types of programming: (1) Conferences and Symposia; (2) an annual Legal Ethics Training Programme for Law Students; (3) Curriculum and Modules on Legal Ethics; and (4) Executive education for practicing lawyers and judges.

The success of the maiden legal ethics training programme organized in 2016 at GIMPA was what led to the establishment of the ACLE in 2017, and the organization of subsequent programmes in 2017, 2018 and 2019. As a result of the successes of the training programmes, in particular the 2017 one, the ACLE's legal ethics training programme was awarded the American Lawyer's Global CSR Project of the year in 2017 in New York, United States.

V. Format

The GIMPA Law Conference (2020 Edition) on the banking and financial sector crisis in Ghana and COVID-19 will be organized and hosted by the ACLE at the GIMPA Faculty of Law either in person or via the online meeting platform, ZOOM. This conference will be in the form of presentations and moderated panel discussions, as well as high-level conversations involving all the stakeholders in the banking and financial sector in Ghana. The conference will thus feature keynote speeches from distinguished personalities within the financial management sector of the economy of Ghana who will be invited to grace the occasion, as well as panel discussions and interviews featuring top financial experts in Ghana. There will be a Question and Answers (Q & A) section, that will involve questions and contributions from the audience, virtually if the event is organized remotely. At the end of the conference, a detailed Report of the key recommendations and proposals will be submitted to the appropriate authorities for their consideration and possible implementation.

VI. Budget (In-Person and Online)

ACTIVITY	IN-PERSON TOTAL	ONLINE TOTAL
1. Event Catering (Breakfast, Lunch & 2 Snack Breaks for 2 days for 150 participants)	GHS 39,200.00	N/A
2. Print/Conference Materials (Designing Cost)	GHS 20,000.00	GHS 5,000.00
3. Photography	GHS 6,000.00	N/A
4. Videography	GHS 8,000.00	N/A
5. Media Coverage (10 Media houses i.e. TV, radio, online, print)	GHS 3,000.00	GHS 3,000.00
6. Décor for Conference Hall and Syndicate Rooms	GHS 10,000.00	N/A
7. Metal Detectors/Walk Through System to be provided by National Security for the 2-day Conference	GHS 10,000.00	N/A
8. Full Page Colour Advertisement of Conference in Daily Graphic (x2)	GHS 14,000.00	GHS 14,000.00
9. Conference Website, Webinar Subscription Cost and Social Media Advertising	GHS 5,000.00	GHS 5,000.00
10. Cultural Troupe (Opening Ceremony)	GHS 2,000.00	N/A
11. Ghana Police Band	GHS 3,000.00	N/A

(Opening Ceremony)		
12. Closing Reception/Dinner	GHS 10,900.00	N/A
13. High Speed Internet Connectivity + IT Technical Support	N/A	GHS 5,000.00

TOTAL:

GHS 131,100.00

GHS 32,000.00

VII. Participation

The event seeks to take a multi-disciplinary and multi-stakeholder approach, and will therefore be open to persons and professionals from varied disciplines, as well as the general public either in-person, or via ZOOM.

VIII. Contact Person

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